

Consolidated Edison Company of New York, Inc. 4 Irving Place New York, NY 10003 www.conEd.com

September 4, 2020

Honorable Michelle L. Phillips Secretary New York State Public Service Commission Three Empire State Plaza, 19th Floor Albany, New York 12223-1350

RE: Energy Storage Deployment Program

Dear Secretary Phillips:

Consolidated Edison Company of New York, Inc. (the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Electricity Service, P.S.C. No. 10 – Electricity (the "Electric Tariff"), applicable to its customers in the City of New York and the County of Westchester. The Company is also filing amendments to its Schedule for PASNY Delivery Service, P.S.C. No. 12 – Electricity (the "PASNY Tariff"),¹ applicable to delivery by the Company of power and associated energy to Authority Public Customers under the PASNY Tariff.

The revised Electric Tariff and PASNY Tariff Leaves, which are identified below, are filed to become effective on January 1, 2021.

Electric Tariff Leaf:

| Leaf No. | Revision No. | Superseding No. |
|----------|--------------|-----------------|
| 343.2 | 1 | 0 |

| PASNY Tariff Leaf: | | | |
|--------------------|----------|--------------|-----------------|
| | Leaf No. | Revision No. | Superseding No. |
| | 26.3 | 8 | 6 |

Reason for Filing

¹ This Schedule is also titled, "Delivery Service Rate Schedule Implementing and Part of the Service Agreement between the Power Authority of the State of New York ("PASNY" or "NYPA") and Consolidated Edison Company of New York, Inc. (the "Company") dated March 10, 1989, for the Delivery by the Company of Power and Associated Energy to Authority Public Customers."

The Commission's *Order Establishing Energy Storage Goal and Deployment Policy*, issued and effective December 13, 2018 in Case 18-E-0130 (the "Order"), required the Company to file tariff amendments to effectuate cost recovery of the amortized contract costs for the procurement of at least 300 MW of scheduling and dispatch rights from qualified energy storage systems to be operational by December 31, 2022. Pursuant to the Order, the Company filed tariff changes on April 11, 2019 to establish the recovery of all costs related to storage procurement in the Monthly Adjustment Clause ("MAC") of the Electric Tariff and Other Charges and Adjustments ("OTH") in the PASNY Tariff. These tariff changes became effective on April 12, 2019.

The Company proposes to specify in the tariff that any annual wholesale revenues exceeding the contract costs will be shared with Customers and shareholders based on 70 and 30 percent, respectively, as authorized by the Order.

Proposed Tariff Changes

The Company proposes to revise the MAC and OTH to specify that to the extent that net annual wholesale market revenues exceed the energy storage procurement contract costs on an annual basis, the excess will be split on a 70/30 basis between customers and shareholders.

Conclusion and Notice

The Company is filing changes to the Electric and PASNY Tariffs to become effective on January 1, 2021. The Company will provide public notice of the tariff changes in this filing by means of newspaper publication once a week for four consecutive weeks prior to the effective date of the proposed tariff changes. Included is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedures Act.

Sincerely,

/s/ William A. Atzl, Jr. Director Rate Engineering Department